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SUBJECT: ACCUSED INDEPENDENT NEWSPAPER EDITOR PRESENTS

DEFENSE

REF: A. CAIRO 2825 _B. CAIRO 2936 _C. CAIRO 3133

Sensitive but unclassified. Please protect accordingly.

- 1.(U) The trial of Ibrahim Eissa, editor-in-chief of the independent newspaper al-Dustour, continued on November 14 in New Cairo Court. Eissa presented his defense to charges that he disturbed the peace and harmed Egypt's economic interests by publishing rumors in late August that President Mubarak was ill (reftels). We attended the trial, as did British and Dutch diplomats and many members of the local press corps.
- 12. (U) Eisaa's attorneys called three Egyptian financial experts as witnesses. Saad Hagres, managing editor of al-Alem al-Youm, a financial newspaper, testified that Egyptian stock market losses in late August could not be linked to the rumors published in al-Dustour. He also opined, as a financial journalist, that it is the obligation of the press to publish any information, including rumors already circulating, that could be of interest to investors. Ahmed Sayed El Naggar, an analyst and writer with the al-Ahram Center for Strategic Studies, testified that he saw no link between the rumors published in al-Dustour and any decline in the market, and questioned whether there actually was a decline. The final defense witness, Mohammed El Naggar, a journalist and economics professor, testified that the market decline coincided with a general decline in global markets, and noted that Egypt's market is heavily influenced by foreign investors. At the conclusion of the defense's presentation, the judge set the next hearing for December 5.
- 3.(SBU) Comment: Courtroom observers saw no surprises in the testimony, which was favorable to Eissa and generally unchallenged by the prosecution. Observers also noted that the judge in the case appears to be making a sincere effort to be fair to the defense. Nonetheless, the outcome will probably hinge on a higher-level political decision. After the hearing, a defense attorney for Eissa said that all the defense can do is present as strong a case as possible, making an adverse political decision more difficult for the government.
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